

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE UNION LIGHT,)	
HEAT AND POWER COMPANY FOR AN)	
ORDER TO ENTER INTO UP TO)	CASE NO. 97-301
\$25,000,000 PRINCIPAL AMOUNT OF)	
CAPITAL LEASE OBLIGATIONS)	

O R D E R

On August 5, 1997, The Union Light, Heat and Power Company ("ULH&P") applied to the Commission for authority to enter into, from time to time over a period ending September 30, 1999, up to \$25 million principal amount of capital lease obligations ("Capital Leases"). ULH&P proposes that the Capital Leases be utilized as a form of financing its capital requirements.

KRS 278.300(2) provides that the Commission shall have 60 days after filing to consider applications for authority to issue or assume securities or evidences of indebtedness unless it is necessary for good cause to continue the application. As the Commission has not completed its investigation of this matter, the Commission finds that good cause exists to continue the financing application beyond the 60-day period specified in KRS 278.300(2).


IT IS THEREFORE ORDERED that ULH&P's application for authority to incur additional indebtedness is continued beyond the 60-day period specified in KRS 278.300(2).

Done at Frankfort, Kentucky, this 3rd day of October, 1997.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director